

MINUTES OF MARION CITY COUNCIL BUDGET WORKSHOP
COUNCIL CHAMBERS AT CITY HALL
TUESDAY, MAY 16, 2017
6:15 p.m.

A Budget Workshop was held on Tuesday, May 16, 2017 in Council Chambers at City Hall over which Mayor Ashley Brady presided. Council members Ralph Atkinson, Ronald Atkinson, Michael Baker, Mayor Pro-tem Emerson Hunt, Joseph Frazier and Tassie Lewis were all in attendance. Also present were City Administrator Alan Ammons, City Treasurer Patricia Brown and City Clerk Lakesha Shannon.

Mayor Brady called the meeting to order. He stated that there have been some proposed changes made to the budget since the first reading on May 9, 2017. He noted that the first reading included a 9.5% health insurance increase, a 2.5% cost of living raise for employees, and a 2% retirement increase. He added that a proposed \$1.00 increase to residential rollout carts services will also be implemented.

Mayor Brady explained that some of the additions to the budget include the replacement of a water cooler at a cost of \$1,000, changing a position in the Sanitation Department from part-time to fulltime at a cost of \$13,529, and an additional \$10,000 for costs associated with the chipping project at the city landfill. These changes total \$24,529 which will be taken from the reserve fund. Mayor Brady stated that an additional \$1,000 will also be funded for Senator Kent Williams.

Mayor Brady explained the proposed salary increases for the Police and Fire Departments which would bring their pay in line with other inter-county agencies. He stated that in the past

the City has lost several first year officers to the Sheriff's Department and the City of Mullins due to the pay difference. Councilman Ralph Atkinson requested clarification on the proposed salary increases for these departments. He questioned whether they would receive the 2.5% cost of living increase in addition to the department increases. Mrs. Patricia Brown stated that the Police and Fire Departments would not receive the cost of living increase. Mr. Ammons stated that the crossing guards would receive a \$.50 per hour pay increase which raises their pay to \$8.00 per hour. Mayor Brady stated that the City would have to implement a 3 mill tax increase to cover the salary increases. Mr. Ammons explained the millage increase and stated that each mill equals \$13,000.

Mr. Ammons stated that the removal of garbage and limb debris will become more expensive over the years. Mrs. Brown explained that about \$579,000 will have to be budgeted from the fund balance. She is projecting that \$175,000 to \$200,000 will not be spent during the fiscal year. She stated that fuel surcharge costs, the SCMIF and SCMIRF insurance refunds, and retirement refunds will be a big factor in the amount of fund balance that is actually spent.

Councilman Ralph Atkinson stated that the City will have to either raise revenues or cut expenses to have a more balanced budget. Mayor Brady stated that some suggestions for cutting expenses are installing programmable thermostats in the gyms, leasing out the concession stands at the ballfields, and adhering to the rental fee schedule instead of letting the facilities be used at no costs. Councilman Ralph Atkinson stressed that the City has to find a way to stop spending more than what's coming in.

Mayor Brady asked when was the last time business license fees were updated. Mrs. Brown explained that business licensing is currently a very sensitive topic in the state legislature. She added that the Municipal Association has suggested that we await the outcome of the proposed House Bills which could possibly cut business license revenues significantly. Mr. Ammons added that new business license rate codes will have to be implemented and we will lose some of our current classifications due to the proposed grouping of codes; however, Council should still have the authority to set the rates. He stated that we are one of the few cities that use double rates for out of town businesses and that practice is being looked at negatively. He also suggested that we await the outcome of these proposed laws.

Councilman Ronald Atkinson asked if hospitality taxes could be used to purchase a police car. Mr. Ammons stated that because our population is less than 900,000, we are unable to purchase a police car with these funds. He said stated that if we could prove that our tourism population is more than 900,000, a percentage could be used for the purchase. Mr. Ammons explained some of the various uses of the City's hospitality funds as outlined in the proposed Hospitality Budget.

Mr. Ammons stated that 11 street lights on Gibson Street will be changed to LED which increases the lighting about 20%. He stated that this project will be completed in about 30-45 days. Mr. Ammons stated that some improvements at the Green Street ballpark were not included in the proposed hospitality tax budget and need to be added. Mayor Pro-tem Emerson Hunt requested that restroom facilities be considered for the Watsonia Park. He stated that people currently have to use a portable restroom or the facility restrooms which is in an area with poor lighting. Councilman Ronald Atkinson also commented on the restrooms at the Withlacoochee

Park. Mr. Ammons explained that the issue with building new restrooms at the Watsonia Park is that there is currently no sewer connection, and it would cost an additional \$10,000 to install the sewer lines. Mr. Ammons stated that he will get an estimate on these upgrades and report back to Council.

Mayor Brady explained the \$28,000 funded to HMRA in the hospitality tax budget, which includes two \$5,000 grants. He further explained that the previous \$19,000 that was funded to HMRA annually has been decreased to \$18,000, and the City will slowly decrease this amount over time. He stated that because they are a non-profit organization for downtown revitalization they can be funded through hospitality taxes and a Façade Grant to improve store fronts in the downtown area. He stated that there will be an application process for the grant in which the applicant would have to be a member of HMRA and a downtown building owner. He stated that Mr. Ammons, as the City Administrator, would be a member of the Façade Grant Review Committee and participate in the selection process. A 25% match would be provided for any façade work that is done to a building. Mayor Brady stated that this is a great way that the City could help beautify Main Street. He also noted that ribbon cuttings for 4 new businesses in the downtown area are taking place this week and next week.

Councilman Ralph Atkinson made a motion to approve 1st Reading of Ordinance 17-04, ***AN ORDINANCE TO AMEND RATES FOR SANITATION SERVICES.*** The motion was seconded by Mayor Pro-tem Emerson Hunt; motion carried.

Councilman Ralph Atkinson made a motion to schedule a Public Hearing for June 13, 2017 at 6:15 p.m. to hear public comments on the proposed budget for FY 2017-2018. The motion was seconded by Councilman Joseph Frazier; motion carried.

Councilman Ralph Atkinson made a motion to go into executive session to discuss the City Attorney advertisement and compensation. The motion was seconded by Councilman Ronald Atkinson; motion carried.

Returning from executive session, Mayor Brady stated that there was no action taken. Councilman Ralph Atkinson motioned to return to open session. The motion was seconded by Councilman Michael Baker; motion carried. Mayor Brady stated that Council discussed advertising for a City Attorney on the City's website and by mailing out letters to all attorneys who currently have a City of Marion business license. The salary will be \$20,000 per year, with the understanding that they cannot have a conflict of interest by representing any City of Marion municipal court cases. Councilman Joseph Frazier motioned to accept the recommendation from Mayor Brady and Mr. Ammons regarding the City Attorney advertisement and compensation. The motion was seconded by Councilman Ronald Atkinson. Councilman Michael Baker asked about the time frame for accepting applications. Mr. Ammons stated that applications are due by June 8th and copies will be provided to Council prior to the June Council meeting. Council will review applications in executive session and schedule interviews. Hearing no further discussion, the motion carried.

Councilman Ralph Atkinson made a motion to adjourn. The motion was seconded by Council Michael Baker; motion carried.

Mayor Ashley Brady

City Clerk Lakesha Y. Shannon

Taped: May 16, 2017